

State of Connecticut SENATE

STATE CAPITOL HARTFORD, CONNECTICUT 06106-1591

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March 5, 2010

Testimony of Senator Toni Boucher In Support of Proposed Senate Bill 3, An Act Redefining Terms Concerning The Spending Cap and Proposed House Bill 5073, An Act Concerning The Constitutional Spending Cap.

Chairwoman Harp, Chairman Geragosian, Ranking Member Debicella, Ranking Member Minor and other distinguished members of the Appropriations Committee, today I testify in support of Proposed Senate Bill 3, An Act Redefining Terms Concerning The Spending Cap and Proposed House Bill 5073, An Act Concerning The Constitutional Spending Cap.

Almost 18 years ago the residents of Connecticut spoke clearly and overwhelmingly when they ratified an amendment to our state Constitution establishing a cap on state government spending. Unfortunately, the Legislature has not done its job by properly implementing this constitutional amendment. In order for the constitutional cap on spending to be fully implemented the General Assembly must vote by a three-fifths majority to approve the definitions of the cap.

The spending cap is designed to control the growth of state spending to the level of growth in either personal income or inflation. Thus, government spending will grow at the same rate as the economy and, more importantly, at a rate the taxpayers can afford. For the last 18 years, the legislature has been operating under a statutory spending cap, a good measure, but one that does not carry the weight of a fully implemented constitutional amendment. In fact, the legislature has often ignored this statutory cap and voted to exceed this cap for various purposes. This was not the will of the voters then or

Article Third, Section 18 of the Constitution of the State of Connecticut clearly states that enactment of the spending cap would require a three-fifths vote on the definition of three terms. Those terms are "increase in personal income," "increase in inflation," and "general budget expenditures." This action by the General Assembly has never occurred.

During the 1991 budget crisis, the legislature established a state Personal Income Tax. To assuage fears that a new income tax would lead to out of control spending the income tax was enacted with the caveat that a permanent spending cap would be put in place to prevent government from irresponsibly increasing taxes. This pledge, I believe, has been broken again and again and the will of the voters, over 80 percent of our citizens who voted for the cap has been disregarded. It is possible that, if the legislature had enacted the constitutional spending cap when required, our spending would be more in-line with the state's flat employment and population growth. Instead, we now have a structural deficit that is unsustainable.

The General Assembly can no longer afford to ignore the will of people, and the time to fully implement the constitutional cap is now. The public outcry on excessive spending at all levels of government is unprecedented. Our citizens expect, and even demand, that we address this critical issue to ensure that the welfare of future generations will not be compromised.

Proposed Senate Bill 3 and Proposed House Bill 5073 include the language necessary to make this happen. I hope we can move forward with these proposals and fully implement Connecticut's constitutional spending cap. Thank you for your consideration of these measures

Sincerely,

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Toni Boucher State Senator